

VZCZCXRO6633
OO RUEHDE RUEHDIR
DE RUEHRH #8407/01 2951136
ZNY CCCCC ZZH
O 221136Z OCT 06
FM AMEMBASSY RIYADH
TO RUEATRS/DEPT OF TREASURY WASHDC IMMEDIATE
RUEHC/SECSTATE WASHDC IMMEDIATE 2830
INFO RUEAIIA/CIA WASHDC IMMEDIATE
RHMCSUU/FBI WASHINGTON DC IMMEDIATE
RUEAWJA/DEPT OF JUSTICE WASHDC IMMEDIATE
RHEHNSC/NSC WASHDC IMMEDIATE
RUEHZM/GULF COOPERATION COUNCIL COLLECTIVE
RUEHJI/AMCONSUL JEDDAH 7857

C O N F I D E N T I A L SECTION 01 OF 03 RIYADH 008407

SIPDIS

SIPDIS

TREASURY PLEASE PASS TO FINCEN

E.O. 12958: DECL: 10/22/2016
TAGS: [EFIN](#) [PTER](#) [KTFN](#) [ETTC](#) [SA](#)
SUBJECT: THE SAUDI FINANCIAL INTELLIGENCE UNIT IV:
RELATIONSHIP WITH THE JUSTICE SYSTEM

REF: A. RIYADH 9221
[1](#)B. RIYADH 8401
[1](#)C. RIYADH 8404
[1](#)D. RIYADH 8406

Classified By: Acting Deputy Chief of Mission Robert Silverman for reasons 1.4 (b), (d) and (g).

[1](#)1. (U) Summary: From September 16-19, Ahmed Elbashari, representative of the U.S. Department of the Treasury's Financial Crimes Enforcement Network (FinCEN), and EconOff, met with senior management of the Saudi Arabia Financial Investigation Unit (SA FIU) to assess the SA FIU for membership in the Egmont financial intelligence units. This is one of four reviewing the FinCEN visit, and focuses on the SA FIU's relationship with the Bureau of Intelligence and Prosecution (BIP). The SA FIU and BIP have a close working relationship focused on information sharing and the prosecution of financial crimes. End Summary.

[1](#)2. (U) Following are the Saudi Arabia Government (SAG) interlocutors on the justice system part of the assessment:

--Dr. Saud Al-Murieshd, Director of the SA FIU;
--Naser Al-Omair, Head of the Department of Information Exchange and Follow up;
--Musfer Kahtani, Deputy head of the Department of Information Exchange and Follow up; and
--Abdulatif Al-Herish, Chief of Financial Crimes Department of the BIP.

[1](#)3. (U) The Director of the BIP, Sheikh Mohammed, received FinCEN delegate and EconOff showing BIP's strong commitment to financial crimes and their support of the SA FIU admission to Egmont. Al-Herish was selected as part of the MENA-FATF assessment team as the expert in law enforcement regimes.

OVERVIEW OF THE BIP

[1](#)4. (U) The BIP is headquartered (HQ) in Riyadh with thirteen district offices throughout the Kingdom. The SA FIU works directly with the district office in the financial analysis of the crimes. Each district office has two divisions, Administrative and Technical. The Administrative Division supports personnel, human resources and administrative handling of cases (e.g., transporting cases amongst the thirteen district offices). The Technical Division consists of: Investigation and General Prosecution

Department; Supervision of Prisons Department; and Enforcement Decisions Department. The Investigation and General Prosecution Department consists of five sub-departments: General Prosecution; Investigation regarding Offenses of public money (e.g., money laundering and terrorism finance cases); Offenses against human persons (e.g., murder, assault); Sexual Offenses; and Drug related crimes. The majority of BIP's cases focus on drug and human persons trafficking. HQ serves a supervisory and oversight function.

THE BIP'S PROCEDURES FOR FINANCIAL CRIMES CASES

15. (U) Article 7 & 12 of the Anti-Money Laundering Statute (AML) & Implementation Regulations govern the relationship between the BIP and the SA FIU. Cases are handled in three phases: Phase I: Case Review; Phase II: Information Gathering and Questioning; and Phase III: Decision making. In Phase I, the SA FIU sends the BIP district office the suspicious transaction report (STR) and accompanying evidence. The BIP district office attorney conduct an initial legal analysis and seek HQ assistance for further guidance and clarification on the case. The district office supervisor remains the case supervisor. During this phase the BIP is authorized to temporarily freeze assets (Article 12 of the AML), which normally occurs within one week of the initial file review. In urgent cases, the asset freeze is done through secure fax between the district office and the SA FIU.

16. (SBU) In Phase II, the district office investigator gathers information and interviews/interrogates people via a

RIYADH 00008407 002 OF 003

subpoena. If the BIP needs additional information it must make a request to SAMA. If another financial crime is discovered, the BIP will open a new case and ask for SA FIU assistance.

17. (C) Comment. The Implementation Regulations instruct the agencies investigating financial crimes to request financial records through SAMA who in turn will provide the request to the bank. These agencies cannot correspond directly with the banks. End comment.

18. (SBU) In Phase III, the decision phase, the investigator must issue an indictment or close the case for lack of evidence. If the case is closed the district office's supervisor must approve the closure and obtain a signature from the Director of the BIP. Al-Herish explained that the Director of the BIP signs off because financial crimes are a serious offense in the Kingdom. The closed case is kept on file in the district office for future reference. However, if HQ finds there is enough evidence to prosecute the case, the case is remanded to the district office. If an indictment is issued, a Three-Person Committee consisting of senior BIP officials, review the indictment, sign the indictment, and forward the case to the General Prosecution Department.

19. (U) Once the indictment is issued, the defendant appears in court with his/her attorney in front of a three judge panel. At this appearance, the SAG gives the defendant a copy of the indictment prior to the judges viewing it. The indictment has four parts: 1) the charges filed; 2) the details of the investigation; 3) relevant evidence; and 4) the penalty/punishment sought. The defendant then pleads innocence or guilt. (Comment. Note, a person can be in jail for a maximum of six months without being charged. If no charges are filed, the person is released, but their assets are frozen and travel is restricted. End comment).

110. (C) Comment. The Saudi system does not have traditional "discovery" practices. A defendant has a few minutes prior to pleading innocence or guilt to examine the

charge and evidence. End comment.

¶11. (SBU) If the investigation relies on sensitive sources and methods, the SAG asks for the information to be sealed/limited. The judge and prosecutor decides whether information is protected and the level of protection.

¶12. (C) Comment. The Saudi system uses principles similar to the Classified Information Protection Act (CIPA) principles in sealing or limiting information from the public. If the judge feels information is not sensitive, the SAG has to balance the interests of justice versus the interest of protecting sensitive techniques and methods. End comment.

¶13. (U) If a person is found guilty, the judge determines the punishment. Article 16 of the AML allows a judge to pardon the defendant if he/she cooperates. The SAG believes the option of a full pardon gives a defendant an incentive to cooperate.

¶14. (U) In relation to cases with multiple predicate offenses, the offenses are tried separately but during the same court proceeding. Two separate verdicts and separate punishments are issued with the harsher penalty enforced first.

BIP HUMAN RESOURCES & TRAINING

¶15. (U) BIP attorneys have a masters in law from King Saud or King Abdul Aziz University or a degree in Sharia law. New recruits must attend a two year intense study in the field they do not have a degree in (e.g., If they have a masters in law they must study Sharia law for two years.). Additionally, attorneys dealing in anti-money laundering of terrorism finance attend a rigorous post-graduate training for 1-2 years through Naif University and the Saudi Arabian Monetary Agency (SAMA) banking institute. After initial training, recruits are slated in an investigator or prosecutor role and receive additional job specific training,

RIYADH 00008407 003 OF 003

workshops on specific topics (e.g., financial crimes), and training seminars outside the Kingdom in either Europe, Gulf Countries (Egypt, Lebanon, and Jordan), and East Asia. To be an attorney in HQ's Technical Division, one must have eight to ten years of experience in a district office and served in all sub-departments of the Investigation and General Prosecution department

BIP'S TECHNOLOGY & SECURITY

¶16. (U) The BIP's offices communicate through an internal secure network including a secure email system and searchable database.

¶17. (C) Each department has compartmentalized and limited access to the secure network and database. The overall security of the system and handling of classified information is in accordance with international standards.

¶18. (C) Comment. There were no visible security measures at the BIP to include combination/lock file cabinets or locks on office doors. End comment.

COMMENT

¶19. (C) The SA FIU and BIP have a good working relationship and meet bi-monthly for coordination and information sharing. Even though the BIP operates primarily under Sharia Western

law concepts, there is a great deal of similarity with
Western procedures and practice.
OBERWETTER